

Remarks

The Office Action mailed July 3, 2007 has been carefully reviewed and the foregoing amendment and following remarks are made in consequence thereof.

Claims 1-36 and 48 are currently pending in this application. Claims 1-36 and 48 stand rejected. Claims 37-47 have already been cancelled.

The rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger (U.S. Pub. No. 2003/02001125) in view of Kraehenbuehl et al. (U.S. Pub. No. 2002/0046067) (herein after referred to as "Kraehenbuehl") is respectfully traversed.

Applicant respectfully submits that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between the cited references and the present invention is that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and at least one client system, the server system and the database are associated with the sponsor, the method comprising the steps of *"performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report"*. (Emphasis added.)

Applicant argued in its previously filed Amendment dated June 20, 2007 that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the*

insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time. (Emphasis added.)

The previous Office Action dated January 31, 2007 asserted that Erlanger describes at paragraphs 183-189 and 186, 192 performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time. Applicant traversed this assertion. Applicant argued in its June 20th Amendment that Erlanger does not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time.* In fact, Erlanger teaches away from the notion that a sponsor performs an underwriting analysis and produces an underwriting report. Specifically, paragraph 186 clearly states that "...this facilitates the reinsurance of policies by enabling each potential reinsurer to evaluate the cost/value of each individual policy by its own underwriting standards." In other words, in Erlanger, each reinsurer is performing their own underwriting analysis for each policy. Erlanger, therefore, teaches away from a sponsor performing an underwriting analysis of a request for reinsurance and producing an underwriting report.

In response to the arguments set forth in the June 20th Amendment, the current Office Action no longer relies on paragraphs 183-189 and 186, 192 of Erlanger for supposedly showing performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time. Rather, the current Office Action now relies on paragraphs 79-90 and 90-93.

As explained below, Applicant submits that paragraphs 79-90 and 90-93 of Erlanger do not describe *performing by the sponsor an underwriting analysis of the request for reinsurance*

and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time. Firstly, paragraphs 79-90 and 90-93 of Erlanger do not relate to reinsurance, but only relate to insurance. The section of Erlanger relating to reinsurance is paragraphs 183-189 and 186, 192, which were relied on in the January 31st Office Action, and were overcome in the June 20th Amendment. Accordingly, Applicant submits that paragraphs 79-90 and 90-93 of Erlanger do not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time.*

Secondly, Claim 1 has been amended to recite “performing by the sponsor an underwriting analysis...*wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report*”. Erlanger teaches away from this recitation. Specifically, paragraphs 77, 78, and 79 clearly states that Table 4 and Table 5 are two different underwriting standards that insurer A and insurer B inputs into a system respectively, the underwritings being independent of each other. In other words, in Erlanger, multiple underwriting standards are required to be provided by different insurers to practice the invention, which teaches away from an underwriting analysis including a sponsor determining a single underwriting standard for analyzing a request for reinsurance and producing an underwriting report.

Furthermore, Erlanger does not describe *submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers.* Rather, Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer. In addition, Applicant respectfully submits that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest *receiving bids at a server from participating reinsurers* during the selection period. Because Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer,

Erlanger cannot describe *receiving bids at the server from participating reinsurers* during the selection period.

Erlanger describes a data processing system that provides a market for: (1) the provision of insurance and reinsurance between insurers and those seeking insurance and reinsurance, and (2) the sale of insurance between reinsurers. More specifically, the data processing system provides for insurance seekers to place a bid to buy reinsurance from each of a plurality of reinsurers. The offer to sell reinsurance specifies the minimum acceptable closing bid criteria for each of the insurance policies that the reinsurer is willing to reinsure. The data processing system compares each bid to buy reinsurance to each offer to sell reinsurance, to identify a match between a reinsurer and an insurance seeker.

Kraehenbuehl describes a system and method of selling reinsurance that includes identifying a reinsurance product and a capacity of the reinsurance product to be sold and calculating a fair risk price for the reinsurance product. The reinsurance product is then offered to primary insurers via an electronic auction. Primary or direct insurers bid against one another in a modified Dutch auction-type auction, wherein primary insurers commit to buying, at their respective offered bids, a certain amount of reinsurance capacity from the reinsurer.

Claim 1 recites a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and at least one client system, the reinsurers being a party who bid for an insurance portfolio owned by the cedent, the server system and the database are associated with the sponsor, the method includes "establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated

with the request...receiving at the server said request for reinsurance of the insurance program from the cedent...performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsure a portion of said insurance program...submitting bids using the at least one client system by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance for said insurance program offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids at the server from said participating reinsurers during said selection period...selecting bids by the sponsor which fulfill said request for reinsurance, as a reinsurance proposal...and offering said reinsurance proposal to said cedent.”

Neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest the method of Claim 1. More specifically, neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and a client system, the server system and the database are associated with the sponsor, the method includes “*performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report*”. (Emphasis added.)

Applicant argued in its previously filed Amendment dated June 20, 2007 that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time.* (Emphasis added.)

The previous Office Action dated January 31, 2007 asserted that Erlanger describes at paragraphs 183-189 and 186, 192 the above recitation. Applicant traversed this assertion. Applicant argued in its June 20th Amendment that Erlanger does not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time.* In fact, Applicant argued that Erlanger teaches away from the notion that a sponsor performs an underwriting analysis and produces an underwriting report. Specifically, paragraph 186 clearly states that “...this facilitates the reinsurance of policies by enabling each potential reinsurer to evaluate the cost/value of each individual policy by its own underwriting standards.” (Emphasis added.) In other words, in Erlanger, each reinsurer is performing their own underwriting analysis for each policy. Erlanger, therefore, teaches away from a sponsor performing an underwriting analysis of a request for reinsurance and producing an underwriting report.

In response to the arguments set forth in the June 20th Amendment, the current Office Action no longer relies on paragraphs 183-189 and 186, 192 of Erlanger for supposedly showing performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time. Rather, the current Office Action now relies on paragraphs 79-90 and 90-93. Paragraphs 79-83 provide in relevant part as follows:

[0079] It should be noted that not only is the underwriting standard for auto liability insurance for Insurer A different than the underwriting standard for

Insurer B, but that one of the factors in the underwriting standards is also different. For example, although both Insurer A and Insurer B use the insurance seeker's age as a factor in the underwriting standard, only Insurer A uses the number of points on the insurance seeker's license as a factor. In contrast, only Insurer B uses how long ago was the insurance seeker's last moving violation as a factor in the underwriting standard.

[0080] Furthermore, it will be clear to those skilled in the art that the illustrative underwriting standards depicted in Tables 4 and 5 are simple for pedagogical reasons and that the underwriting standards used by other insurers might be more complicated. Furthermore, it will be clear to those skilled in the art how to create and input an underwriting standard into data processing system 101 for one or more types of insurance and reinsurance and for any set of factors, premiums, fees and terms.

[0081] Therefore, it should be understood that the illustrative embodiment of the present invention does not set or affect the underwriting standards used by the insurers who patronize the system, but accepts any set of factors that an insurer desires as an underwriting standard.

[0082] In accordance with the illustrative embodiment of the present invention, an insurer can input, revise or withdraw any insurance product, underwriting standard, or associated premium, fee or term in data processing system 101 at any time, which enables the insurer to adjust its offerings as its needs, desires and market conditions change.

[0083] The list of insurance products, underwriting standards, premiums, fees and terms from each of the plurality of insurers are stored in underwriting standard database 251 in data storage device 203.

Applicant submits that paragraphs 79-90 and 90-93 of Erlanger do not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time*. Firstly, paragraphs 79-90 and 90-93 of Erlanger do not relate to reinsurance, but only relate to insurance. The section of Erlanger relating to reinsurance is paragraphs 183-189 and 186, 192, which were relied on in the January 31st Office Action, and were overcome in the June 20th Amendment. Accordingly, Applicant submits that paragraphs 79-90 and 90-93 of Erlanger do not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the*

insurance program wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time. Moreover, as explained above, Erlanger actually teaches away from this recitation at paragraphs 183-189 and 186, 192, wherein Erlanger describes each reinsurer performing their own underwriting analysis for each policy.

Secondly, Claim 1 has been amended to recite “performing by the sponsor an underwriting analysis...*wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report*”. Erlanger further teaches away from this recitation. Specifically, paragraphs 77, 78, and 79 clearly states that Table 4 and Table 5 are two different underwriting standards that insurer A and insurer B inputs into a system respectively, the underwritings being independent of each other. In other words, in Erlanger, multiple underwriting standards are required to be provided by different insurers to practice the invention, which teaches away from an underwriting analysis including a sponsor determining a single underwriting standard for analyzing a request for reinsurance and producing an underwriting report.

Furthermore, Erlanger does not describe *submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers*. Rather, Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer. In addition, Applicant respectfully submits that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest *receiving bids at a server from participating reinsurers* during the selection period. Because Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer, Erlanger cannot describe *receiving bids at the server from participating reinsurers* during the selection period.

Moreover, neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest displaying a submission screen on a client system for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen is stored within the database and is transmitted to the client system, the submission screen including a first

section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. (Emphasis added.)

The Office Action acknowledges that Erlanger does not describe displaying a submission screen as recited in Claim 1. However, the Office Action asserts that Kraehenbuehl describes this recitation at Figures 8 and 9, and paragraphs 72-74 and 76. Applicant traverses this assertion. As discussed below, Applicant submits that Kraehenbuehl does not describe displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. Rather, Kraehenbuehl describes Figure 8 as a screen that displays bid information (bid overview), and Figure 9 as a screen that prompts a user to input information (bid parameters) that will be used to generate a bid (or draft bid) in the auction. The bid parameters depend on the reinsurance product type, but typical parameters include the total sum insured, Gross Net Premium Income (GNPI), a deductible, an amount of coverage, a share percentage, a bid name, an inception date and an actual bid. Kraehenbuehl does not describe nor suggest prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. In fact, Kraehenbuehl fails to even mention attaching any such documents, and the information submitted in Kraehenbuehl are bid parameters that have nothing to do with underwriting an insurance program.

For at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger in view of Kraehenbuehl.

Claims 2-4, 6 and 9-10 depend from independent Claim 1. When the recitations of Claims 2-4, 6 and 9-10 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 2-4, 6 and 9-10 likewise are patentable over Erlanger in view of Kraehenbuehl.

In addition, Applicant submits that neither Erlanger nor Kraehenbuehl describe or suggest dependent Claim 3. For example, Claim 3 is directed to “notifying said participating reinsurers that said sponsor will provide a portion of said reinsurance at a price and percentage to be determined by said sponsor prior to selecting bids for said reinsurance proposal.” The Office Action asserts at page 6 that Erlanger describes this recitation by describing “par. 166-172: a portion of the fees of data system (i.e. sponsor) are remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance.” Applicant traverses this assertion. Paragraphs 167-172 of Erlanger actually provide as follows:

As shown in FIG. 5, at step 311, data processing system 101 outputs an indicium of a portion of the fee, if any, to be remitted to each insurer. The purpose of remitting a portion of the fee to the selected insurer is to encourage each insurer to:

- (i) patronize data processing system 101;
- (ii) offer the widest variety of insurance products at the lowest premiums and fees and with the best terms; and
- (iii) write the largest number of policies possible through the system.

In other words, Erlanger describes a fee that is paid by the insurer for using the system wherein a portion of the fee is remitted back to the insurer based on the amount or business volume that the insurer has transacted through the system. Thus, in Erlanger, the fee being remitted is a marketing tool that is used to motivate the insurer to use the system. Applicant submits that merely describing a fee being remitted to each insurer to encourage use the system as described in Erlanger does not describe or teach notifying participating reinsurers that the sponsor will provide a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal. (Emphasis added.) Specifically, Erlanger does not describe, teach or even mention a sponsor (i.e., the data system) providing a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal.

For these reasons, Applicant submits that dependent Claims 2-4, 6 and 9-10 are patentable over Erlanger in view of Kraehenbuehl.

Claim 11 recites a method of coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, comprising the steps of "providing a server system associated with the sponsor, the server system coupled to a database...providing a plurality of client systems associated with the cedent and the plurality of insurers, the client systems coupled to the server...establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for insurance, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the server said request for insurance from the cedent...performing by the sponsor an underwriting analysis of said request for insurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance, wherein the risk of loss analysis includes an amount of losses expected on said insurance over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for insurance and producing the underwriting report...making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance; each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the at least one client system by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids at the server from said participating insurers during said selected period...selecting bids by the sponsor which fulfill said request for insurance, as an insurance proposal...and offering said insurance proposal to said cedent."

Claim 11 recites a method that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 11 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 12-14, 16 and 19-20 depend from independent Claim 11. When the recitations of Claims 12-14, 16 and 19-20 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 12-14, 16 and 19-20 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 21 recites a process for coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, the process using a computer associated with the sponsor coupled to a remote computer, the process includes "establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the remote computer for prompting a cedent to input a request for insurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the sponsor computer said request for insurance from the cedent...performing an underwriting analysis of said request for insurance by the sponsor, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for insurance...producing an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time...making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the remote computer by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids from said participating insurers during said selection period...selecting bids which fulfill said request for insurance, as an insurance proposal...offering said insurance proposal to said cedent...binding said selected

participating insurers to provide said insurance...and guaranteeing, by said sponsor, payment by each of said selected participating insurers for any proper claims made on said insurance.”

Claim 21 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 21 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 23 and 26-28 depend from independent Claim 21. When the recitations of Claims 23 and 26-28 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 23 and 26-28 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 29 recites a process for coordinating, by a sponsor, an auction for providing reinsurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, the process using a computer associated with the sponsor coupled to a plurality of remote computers, the process includes “establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on at least one of the remote computers for prompting a cedent to input a request for reinsurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the reinsurance associated with the request...receiving at the sponsor computer said request for reinsurance from the cedent...performing an underwriting analysis of said request for reinsurance by the sponsor, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report...producing, by the sponsor, an underwriting report including an analysis of risk of loss associated with said reinsurance program, wherein the risk of loss analysis includes an amount of losses expected to said reinsurance program over a predetermined period of time...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during

a selected period, to cover a portion of said reinsurance...submitting bids using at least one of the remote computers by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids from said participating reinsurers during said selected period...selecting bids which fulfill said request for reinsurance, as a reinsurance proposal...offering said reinsurance proposal to said cedent; binding said selected participating reinsurers to provide said reinsurance...and guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made on said reinsurance.”

Claim 29 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 29 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 31 and 34-36 depend from independent Claim 29. When the recitations of Claims 31 and 34-36 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 31 and 34-36 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 48 recites a system for coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers, the reinsurers being a party who bid for an insurance portfolio owned by the cedent. The system includes a plurality of client systems associated with the cedent and the plurality of reinsurers, a database for storing information, and a server system configured to be coupled to the client systems and the database. The server is associated with the sponsor. The server system is configured to “store in the database a network of participating reinsurers meeting eligibility requirements to participate in said auction including a reinsurance capacity for each of said participating reinsurers...display a submission screen on at least one of the client systems for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request...receive said request for reinsurance from the

cedent...generate an underwriting report for the sponsor based on an underwriting analysis performed by the sponsor of said request for reinsurance, wherein the underwriting analysis including an analysis of risk of loss associated with said insurance program, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and generating the underwriting report, said request for reinsurance and said underwriting report accessible by said participating reinsurers...prompt said participating reinsurers to submit respective bids, during a selected period, to reinsure a portion of said insurance program, the bids are submitted after said request for reinsurance and said underwriting report have been made available to the participating reinsurers...receive bids from said participating reinsurers during said selection period...select bids which fulfill said request for reinsurance, as a reinsurance proposal...and offer said reinsurance proposal to said cedent.”

Claim 48 recites a system that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 48 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36, and 48 be withdrawn.

The rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Kraehenbuehl as applied to Claims 1, 11, 21, and 29, and further in view of the alleged Admitted Prior Art is respectfully traversed.

Claim 8 depends from Claim 1. Claim 1 is recited hereinabove. As stated above, Claim 1 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 1 is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 8 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claim 8 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art.

Claim 18 depends from Claim 11. Claim 11 is recited hereinabove. As stated above, Claim 11 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 11 is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 18 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claim 18 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 25 depends from Claim 21. Claim 21 is recited hereinabove. As stated above, Claim 21 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 21 is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 25 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claim 25 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 33 depends from Claim 29. Claim 29 is recited hereinabove. As stated above, Claim 29 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 29 is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 33 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claim 33 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 8, 18, 25 and 33 be withdrawn.

The rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Kraehenbuehl as applied to Claims 1, 11, 21, and 29, and further in view of Walker et al. (U.S. Patent No. 6,119,093) (herein after referred to as "Walker") is respectfully traversed.

Erlanger is described above.

Walker describes a system for facilitating a syndicated sale of an insurance policy. The system employs a processor and a storage device connected to the processor, and a data receiving device and a data output device connected to the processor. The processor executes a program to receive information relating to the insurance policy, and transmit for electronic viewing by a potential buyer an invitation to offer to buy a share in the underwriting of the insurance policy. The share has associated therewith a risk cost assessable to the buyer if payment is made on a claim under the insurance policy. The processor receives offers to underwrite the share of the insurance policy; each offer includes information identifying collateral (e.g., line of credit associated with a credit card account) against which the risk cost may be charged in the event of payment on a claim. The transmission of the invitation and the offer to buy a share may be made on the Internet.

Claims 5 and 7 depend from independent Claim 1. Claim 1 is recited hereinabove. As stated above, Erlanger in view of Kraehenbuehl does not describe or suggest the method recited in Claim 1. Walker does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

When the recitations of Claims 5 and 7 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 5 and 7 likewise are patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

Claims 15 and 17 depend from independent Claim 11. Claim 11 is recited hereinabove. As stated above, Erlanger in view of Kraehenbuehl does not describe or suggest the method recited in Claim 11. Walker does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 11 is submitted to be patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

When the recitations of Claims 15 and 17 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 15 and 17 likewise are patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

Claims 22 and 24 depend from independent Claim 21. Claim 21 is recited hereinabove. As stated above, Erlanger in view of Kraehenbuehl does not describe or suggest the process recited in Claim 21. Walker does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 21 is submitted to be patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

When the recitations of Claims 22 and 24 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 22 and 24 likewise are patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

Claims 30 and 32 depend from independent Claim 29. Claim 29 is recited hereinabove. As stated above, Erlanger in view of Kraehenbuehl does not describe or suggest the process recited in Claim 29. Walker does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 29 is submitted to be patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

When the recitations of Claims 30 and 32 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 30 and 32 likewise are patentable over Erlanger in view of Kraehenbuehl and further in view of Walker.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

In addition to the arguments set forth above, Applicant further submits that the rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Kraehenbuehl; the rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Walker is

further traversed on the grounds that the Section 103 rejection of the presently pending claims is not a proper rejection.

Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Erlanger using the teachings of Kraehenbuehl, the Admitted Prior Art and Walker. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art. It appears that the present rejection reflects an impermissible attempt to use the instant claims as a guide or roadmap in formulating the rejection using impermissible hindsight reconstruction of the invention. The United States Supreme Court has recently expressed concern regarding distortion caused by hindsight bias in an obvious analysis, and notes that factfinders should be cautious of arguments reliant upon ex post reasoning. See KSR International Co. v. Teleflex, Inc., slip Opinion at page 17.

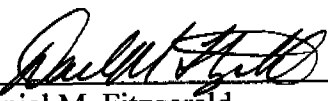
The United States Supreme Court has recently held that obviousness rejections must be supported with "articulated reasoning with some rational underpinning to support the conclusion of obviousness." See KSR International Co. v. Teleflex, Inc., slip Opinion at page 14. The present rejection does not appear to meet this standard as it reflects no articulate reasoning why the independent or dependent claims are believed to be obvious, but rather is stated in the form of a conclusion of obviousness. Applicant accordingly requests specific explanation and articulation regarding the reasoning and rational underpinning for any obviousness rejection of the claims. It is not believed that adequate reasons why the presently claimed invention is believed to be obvious have been provided on the present record.

The Supreme Court also explained that, following "common sense," "familiar items may have obvious uses beyond their primary purposes, and in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle." *Id.* at page 16. Applicants respectfully submit that the teachings of Kraehenbuehl, the Admitted Prior Art and Walker do not fit together like pieces of a puzzle, but rather are isolated disclosures, which have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason alone, Applicant requests that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48; the rejection Claims 8, 18, 25 and 33; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejections be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in the application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,



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